



**UNITED STATES ENVIRONMENTAL PROTECTION AGENCY
REGION 8**

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Ref: 8ENF-RC

**CONTRACT NUMBER: BPA EP-BPA11-W-0001
CONTRACT NAME: Region 9 BPA SESS Remedial/Removal
CONTRACTOR NAME: Toeroek Associates, Inc.
TASK ORDER NUMBER: TBD
September 17, 2014**

Toeroek Associates Inc.:

1552.209-72 Organizational Conflict Of Interest Certification (APR 1984)

The offeror [] is [] is not aware of any information bearing on the existence of any potential organizational conflict of interest. If the offeror is aware of information bearing on whether a potential conflict may exist, the offeror shall provide a disclosure statement describing this information.

I. TITLE: Region 8 Potential Responsible Party (PRP) Search Activities, Negotiation and Litigation In Support of the Upper Animas Mining District, San Juan County, Colorado, SSID #08-5M, OU #OO Site Wide (UA Site)

II. EPA Contacts

Task Order Manager

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Contracting Officer's Technical Representative

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III. Authorization

This Statement of Work is in accordance with Tasks 1, 5 and 8 of the Region 9 ESS BPA.

IV. Period of Performance

The period of performance for this Task Order (TO) will be from the date the Contracting Officer issues this TO through March 31, 2015.

V. Background

The UA Site is a potential National Priorities Listing Site. The UA watershed covers approximately 140 square miles of the Silverton Colorado volcanic caldera that in its natural state is highly mineralized. The mining activities of over 300 mines that have operated since ~ 1870 have significantly increased the exposure of mineralized geologic materials contributing to the degraded water quality of the UA Site and its tributaries. Due in part to the previous Region 8 task order, EPA conducted several formal baseline PRP Searches, sent and received CERCLA 104e Information Request information and has subsequently identified several PRPs (Sunnyside Gold Corporation and Washington Mining Group) with viable parent corporations at the UA Site. In fact, one of the Sunnyside Gold Corporation has initially offered approximately \$10 million dollars to conduct remedial work. To date, the information received via the two viable PRPs includes over 100,000 pages of PDF Files and almost 80 banker boxes of historical and unorganized documents. The banker boxes have been scanned, and Toeroek Associates, Inc. ("the contractor") and EPA have been reviewing and analyzing the information and prepared litigation notebooks. An initial review of these boxes and notebooks has disclosed significant pertinent information. It is critical that EPA manage this voluminous amount of information and be prepared to negotiate and/or litigate significant settlements with two viable, litigious, and sophisticated PRPs.

VI. Objective/Purpose

The purpose of this Call Order has three significant parts. First, the contractor will provide advanced and complex investigative support in analyzing a voluminous amount of technical, financial, corporate, legal, and mining related information. This analysis is needed to help substantiate corporate successor liability theories (e.g. "Pierce the Corporate Veil"). Second, the contractor will continue to finalize existing PRP Search reports. Third, the contractor will serve a key role in settlement negotiations and possible litigation with the PRPs by preparing work products, such as PowerPoints, Litigation Notebooks, attending meetings with PRPs, and maybe obtaining a National Expert in corporate acquisitions and mergers.

VII. Assumptions and Constraints

Assumptions: The contractor is expected to perform as efficiently as possible; activities and costs will be monitored monthly.

VIII. Scope

Task 1: PRP Searches (NS or RP)

Tasks 1.2 and 1.5. Gather & Collecting Records and Analysis:

- Contractor will prepare a searchable Concordance database of the documents.
- Contractor and EPA will determine what information should be searched for, and then identify the relevant information by performing keyword searches within the Concordance databases. Results of key word searches will be organized within the databases and will be produced for EPA review.
- Contractor will support EPA in developing a process for information exchange between EPA and Contractor.
- Contractor and EPA will evaluate options and means of getting EPA access to the database. Contractor will prepare full corporate analysis of the Kinross/Sunnyside/Echo Bay family of corporations, including corporate trees.
- Contractor will prepare full corporate analysis of the Mueller/Washington Mining family of corporations, including corporate trees. Contractor will research its archives for previous corporate analyses performed on PRPs.
- Contractor will work to analyze and explain the conveyance of property from Standard Metals to Sunnyside Gold.

Tasks 1.8 and 1.11. Investigations and PRP Search Report:

- Contractor will finalize immediately the Draft PRP Search Report for the Upper Animas Mining District and Mayflower Mill Sites.
- Contractor will organize analyses and supporting documentation in litigation notebooks for ease of reference.
- Contractor will compile operational and production data and support EPA in developing and executing an allocation strategy.

Task 2: Expedited PRP Search Work (NS or PR)

This TO needs to be expedited due budgetary deadlines.

Task 3: Expedited General Enforcement Support (NS or RP)

Not applicable.

Tasks 4 and 5: Negotiation and Litigation Support (SV)

Task. 5.1 Litigation & Referral Support:

- Contractor will prepare PowerPoint presentation(s) that EPA will present to the PRPs.
- Contractor may be asked to attend meetings with the PRPs
- Contractor may will have to assist EPA in Information Requests
- Contract may have to obtain a national expert in financial and corporate relationships (i.e., mergers, combination agreements, and assumption of liabilities). Note: This national expert needs to be a non-testifying expert in order to keep internal communications privileged.

Task 6: Cost Recovery Support (PC)

Not applicable.

Task 7: Community Involvement Support (CR)

Not applicable.

Task 8: Project Management and Planning (GE)

THE CONTRACTOR will provide project oversight and management in order to facilitate the completion of all EPA tasks according to the relevant budget, schedule and quality control requirements. This effort will be ongoing and the level of effort will vary based on changing client needs, varying workload, site priorities, program priorities, etc.

COMPLEXITY LEVEL: High/Advanced.

PERFORMANCE STANDARD: Submit project deliverables within the timeframes specified and within cost. Notification will be provided in advance to the Task Order Manager if deadlines will not be met or if cost overruns are anticipated.

ACCEPTABLE LEVEL OF QUALITY: No substantive or grammatical errors in deliverables that would require a resubmission of the work product.

IX. Other Task Order Requirements

The following additional terms and conditions are requirements of this Task Order:

1. Technical Direction

In accordance with E PAAR 1552.237 -71–*Technical Direction* , the Task Order Contracting Officer's Representative (TOCOR) will provide Technical Direction during performance of this task order. Technical direction includes:

- (1) Instruction to the contractor that approves approaches, solutions, designs, or refinements; fills in details; completes the general description of work; shifts emphasis among work areas or tasks; and
- (2) Evaluation and acceptance of reports or other deliverables.

Technical Direction must be within the scope of the contract -level SOW . The Task Order Manager does not have the authority to issue Technical Direction which:

- (1) Requires additional work outside the scope of the contract or task order;
- (2) Constitutes a change as defined in the "Changes" clause;
- (3) Causes an increase or decrease in the estimated cost of the contract or task order;
- (4) Alters the period of performance of the contract or task order; or
- (5) Changes any of the other express terms or conditions of the contract or task order.

Technical Direction will be issued in writing by the COTR, or confirmed by the COTR in writing within five (5) calendar days after oral issuance.

2. Confidential Business Information (CBI)

Performance under this Task Order may require the contractor to be provided with Confidential Business Information (CBI) . The contractor shall ensure safeguards and controls of all CBI received are maintained . In accordance with EPAAR 1552.235 -80 – *Access to Confidential Business Information* , the contractor shall not have access to CBI submitted to the EPA under any authority until the contractor obtains from the Contracting Officer's Representative (COR) a certification that the EPA has followed all necessary procedures under 40 CFR part 2, subpart B (and any other applicable procedures), including providing, where necessary, prior notice to the submitters of disclosure to the contractor.

3. Quality Assurance

Performance under this task order requires the contractor to have prepared a Quality Assurance Project Plan (QAPP) at the time of award under the BPA.

4. Travel

The contractor is allowed up to 30 local travel trips to perform local record checks and attend meetings at the EPA Regional Office. The contractor shall conduct any local travel in accordance with GSA's Federal Travel Regulation found here: www.gsa.gov/fttr. The contractor shall adhere to the requirements of Federal Acquisition Regulation (FAR) Subpart 31.2 in incurring allowable travel costs under this Task Order.

5. Survey Management

Not applicable.

6. Communications Products

Not applicable.

7. Government-Furnished Property (GFP)

Not applicable.

8. Accountable Property

Not applicable.

9. Information Technology (IT) Services

Not applicable.

10. Information Technology (IT) Products

Not applicable.

11. Novelty Items

Not applicable.

X. Schedule of Deliverables

A kick-off meeting will be scheduled within one day of the contractor's receipt of the Task Order and Statement of Work from EPA.

The staffing plan and cost estimate are due within one day after the kick-off meeting.

Upon a request made by EPA, the contractor will in 15 days provide one original and one copy of the final version of the PRP Search Report to the EPA. The reports should be copied onto a CD and three (3) copies of that disk should be provided to the EPA.

Due to the complexities and unknown variables of the above identified tasks, a mutual agreed upon delivery date between the EPA and the contractor will be established on a case by case basis.